

Department of Energy
Savannah River Operations Office
P.O. Box A
Alken, South Carolina 29802
UN 0 1 2005

Mr. James Isom, General Manager Wackenhut Services, Incorporated Savannah River Site P. O. Box W Aiken, SC 29802

Dear Mr. Isom:

SUBJECT: Award Fee Determination for October 1, 2004, through March 31, 2005, of Contract DE-AC09-99-SR18950

I have completed my evaluation of the Wackenhut Services, Incorporated-Savannah River Site (WSI-SRS) contract performance and determined your award fee based on the Performance Objectives and Criteria set forth in the Award Fee Plan. These objectives and criteria reflect the SRS Management Focus Areas of safety and security; technical capability and performance; community, state and regulator relationships; cost-effectiveness; and corporate perspective.

As the Fee Determination Official for the Savannah River Operations Office (SR), I am pleased to inform you that WSI-SRS earned 100% of the available fee of \$1,750,000. By using established rating criteria, WSI-SRS demonstrated an excellent level of performance and corporate leadership during this period. WSI-SRS continued to demonstrate sound protection strategies as our nation remains in a heightened security posture, while also receiving numerous awards from external entities to validate superior performance.

WSI-SRS management developed effective security measures and scheduled protective force staffing necessary to support deactivation and decommissioning (D&D) activities to support FB-Line closure objectives. WSI-SRS management worked closely with operations personnel in the development of the formal FB-Line Downgrade Plan and identified security impacts to implement appropriate contingency plans to accomplish closure activities consistent with the site schedule. WSI-SRS management actively participated in the development and execution of numerous modified security plans to help facilitate these actions. These innovative measures validated WSI-SRS's abilities to plan and develop sound, fiscal means of allocating necessary resources in support of meeting SRS closure goals and objectives.

On January 6, 2005, the Aiken County Emergency Operation's Center (EOC) requested WSI-SRS assistance with a train derailment and chlorine release in Graniteville, SC. WSI-SRS dispatched Law Enforcement personnel, Zone Operations Security Police Officers, and two WSI-SRS Training Instructors to the incident command post in Graniteville. It was determined the equipment belonging to local law enforcement agencies did not sufficiently protect responders from the chlorine. WSI-SRS provided appropriate personal protective equipment and instructed members of local agencies, the South Carolina Law Enforcement Division and the Federal Bureau of Investigations on proper, donning and use of the equipment. When a shortage of chemical suits developed, the Aiken EOC requested use of the Department of Energy (DOE) helicopter to pick up and deliver Tychem suits for use by responders at the scene. Additionally, after the Aiken County Sheriff declared a mandatory evacuation and curfew, WSI-SRS officers participated in the scarch and evacuation of personnel from the disaster area.

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The SRS Aviation Program continued to demonstrate its outstanding performance record as the SRS Aviation Team (DOE-SR and WSI-SRS) underwent a DOE Headquarters (DOE-HQ) Assessment conducted by the DOE Office of Aviation Management. The annual assessment revealed a well managed department which exhibits a strong safety culture. WSI-SRS was commended for its planning and execution of upgrades to the helicopter instrument panels with internal Night Vision Goggles compatible lighting and new avionics. The overall assessment was a success and validated the continued safe and efficient Aviation Program.

In October 2004, WSI-SRS was recognized by the South Carolina Quality Forum as the winner of this year's Governors Quality Award. The award is presented annually to organizations that achieve excellent performance in developing, implementing, and deploying a quality management system based on the Malcolm Baldrige Criteria for performance excellence. Additionally, the WSI-SRS Law Enforcement Department successfully completed a four day assessment for re-accreditation through the Commission of Accreditation for Law Enforcement Agencies (CALEA). As a result of the reassessment, CALEA recommended WSI-SRS for reaccreditation. Accreditation is a coveted award that symbolizes professionalism, excellence and competence. WSI-SRS is the only private security company to receive CALEA accreditation.

WSI-SRS participated in a DOE-HQ Site Assistance Visit (SAV) to focus on emerging technologies to offset staffing requirements associated with implementation of Design Basis Threat (DBT). The SAV included a comprehensive review of protection strategies for K-Area and the conduct of extensive tabletop analyses. Additionally, during this period WSI-SRS provided significant support to the Government Accountability Office staff that reviewed the status of the SRS DBT implementation planning.

WSI-SRS management continued to display sound leadership and initiative in developing and implementing new training to transition from the current Law Enforcement Model to a Tactical "Elite" Force Model in support of the Secretarial Initiative #14. WSI-SRS has designed SPO II Obstacle Course Training which will significantly enhance the individual and team tactical skills of the protective force. Training for supervisors in command and control, and team training is being integrated into scenario based training. Additionally, WSI implemented an initiative of conducting randomly selected protective force physical fitness and weapons qualifications tests. This evaluation supports the DOE Secretary's Initiative #14 and will provide a gauge of fitness and weapons qualifications readiness, and promote fitness for duty standards.

During this period, a joint DOE-HQ/DOE-SR team assessed the WSI-SRS 2004 occupational injury/illness experiences. The team noted there are opportunities for improvement; however, the team also noted the WSI-SRS case management review process is excellent. WSI-SRS experienced a 33% reduction in recordable occupational injuries/illnesses as compared to the preceding period. WSI-SRS has been proactive in responding to and enhancing the overall safety culture within WSI-SRS. WSI worked with the U.S. Army Safety Center on providing a Risk Assessment Certification Course. The course comprised safety structure theory, risk management, composite risk management, weapons and range safety, risk assessment, vehicle safety and safety concerns and technology. This training has further enhanced their efforts to instill a safety culture throughout WSI-SRS.

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WSI-SRS formed a Safety Performance Analysis Committee with nine members including the Deputy General Manager as Chairman. The committee will analyze historical and current safety performance of WSI-SRS employees, work elements, and WSI as a whole, utilizing established criteria to select topics for discussion. Also, the Safety Focus Working Group and its subcommittees have continued to meet regularly to develop a new behavior-based safety process for WSI-SRS. The planned implementation date will satisfy the WSI-SRS commitment to DOE-SR to have a process in place by July 2005.

WSI-SRS has continued to provide extensive design and engineering support for a number of projects to include support for the Jackson Barricade, Kennel Facility, and completion of a new roof for the shoot house.

The commitment of your organization to the Site's corporate perspective continues to be demonstrated through WSI-SRS's participation on the site Point of Entry Team in support of the new site visitors/vendor access controls and safety measures required to ensure safe operations to all visitors/vendors and subcontractors to the SRS. Additionally, WSI-SRS partnered with DOE-SR in support of the various Special Emphasis Program initiatives. Through the sharing of resources and planning efforts, WSI-SRS and DOE-SR sponsored Disabilities Awareness month activities, Multicultural Day Celebration, Native American Heritage Day, Veterans Appreciation Program, and the SRS Martin Luther King Jr. Remembrance Program.

Recognized for achieving protective force excellence within the complex, WSI-SRS has provided security personnel as opposing/shadow force support to Oak Ridge, TN (Y-12) to support Limited Scope Performance tests. Security Police Officers have supported a special security mission at the Nevada Test Site. Training personnel have supported the National Training Center, and at the request of WSI-HQ, two Performance Testing Assessment Department personnel conducted an assistance visit for a newly awarded contract at the Dryden Flight Research Center. The support afforded these entities provided the opportunity to evaluate their protection strategies and training programs, and is instrumental in accomplishing very important National Security Missions. This support also brought to SRS valuable lessons learned that served to improve your already strong programs.

Overall, the achievements and accomplishments during this rating period demonstrate professional excellence and illustrate the premier role WSI-SRS maintains in the DOE security community. WSI-SRS is clearly committed to meeting the challenges that lay ahead with implementation of the new DBT and the Secretary's #14 point initiatives for an "elite" force. DOE-SR oversight personnel will be meeting with your staff to discuss this award fee evaluation in further detail. Thank you for your continued excellent work in support of the missions at SRS and throughout the complex.

Jeffrey M. Allison

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Manager

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co: R. Allen, WSI-SRS, 703-B